

Message Text

UNCLASSIFIED

PAGE 01 COTONO 01616 181611Z

70

ACTION XMB-04

INFO OCT-01 AF-04 ISO-00 AGR-05 CIAE-00 COME-00 EB-04

INR-05 LAB-01 NSAE-00 RSC-01 SP-02 STR-01 TRSE-00

SWF-01 CIEP-01 FRB-01 OMB-01 AID-05 DRC-01 /038 W

----- 037521

R 181545Z OCT 74

FM AMEMBASSY COTONOU

TO SECSTATE WASHDC 6639

INFO AMEMBASSY LOME

UNCLAS COTONOU 1616

EO 11652: N/A

TAGS: EFIN, EIND, DM

SUBJ: IDATEX TEXTILE MILL PROPOSAL

REF A. STATE 223415 B. COTONOU 1340 C. STATE 166720

1. ANSWERS TO QUERIES IN REF A ARE:

A. MRGD PLACES HIGH PRIORITY ON EXISTING TEXTILE MILL AS FIRST MAJOR CAPITAL INVESTMENT PROJECT TO SEE LIGHT OF DAY IN RECENT YEARS. SINCE BULK OF PRODUCTION IS TO BE EXPORTED, MRGD PROBABLY VIEWS PROJECT AS SOURCE OF NEW EMPLOYMENT AT PARAKOU AND EXCELLENT MEANS OF TREATING RAW MATERIAL (COTTON) WITHIN COUNTRY. AS FOR PROPOSED SECOND IDATEX PLANT, ASSUME THAT MRGD PLACES SIMILAR PRIORITY ON IT FOR SAME REASONS OF EMPLOYMENT AND CAPITAL INFLOW.

B. MRGD BUDGET HAS NO ALLOCATION FOR IDATEX. GOVERNMENT IS SHARE-HOLDER WITHOUT PAYING IN ANY EQUITY CAPITAL. GOVERNMENT HAS ALSO GUARANTEED SUPPLIER CREDITS OBTAINED BY IDATEX.

C. EMBASSY UNAWARE OF ANY PLANS FOR FURTHER IDATEX PLANTS. HOWEVER, AS NOTED REF B, IDATEX ENTIRELY BASED IN PARAKOU, SO EMBASSY HAS HAD NO DIRECT CONTACT WITH FIRM.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 COTONO 01616 181611Z

2. ICODA IS MAJOR PRINTED FABRIC MANUFACTURER IN DAHOMEY.

HAVE LEARNED THAT ARBATEX IS NOT RPT NOT DIRECT SHARE-HOLDER IN ICODA. HOWEVER, INDUSTRIE TOGOLASIE DES TEXTILES (ITT) IN LOME, IN WHICH ARBATEX MAJOR STOCKHOLDER (REF C) DOES HAVE A 3 PERCENT PARTICIPATION IN ICODA. OTHER ICODA SHAREHOLDERS ARE: SCHAEFFER (FRENCH TEXTILE/ENGINEERING FIRM BASED NEAR MULHOUSE AND ONE OF VOYERS MAIN COMPETITORS), WHICH IS MAJORITY PARTNER AND TECHNICAL ASSISTANCE CONSULTANT, GOVERNMENT OF DAHOMEY, CFAO-DAHOMY, JOHN WALKDEN-DAHOMY (LATTER TWO ARE MAJOR ICODA CLIENTS AS LARGE LOCAL SELLERS OF AFRICAN PRINTED CLOTH), AND ICODI, IVORY COAST BASED TEXTILE FIRM ALSO CONTROLLED BY SCHAEFFER. ANSWERS TO QUIRIES ON ICODA ARE:

A. ESTABLISHED 1968

B. EQUITY: 250 MILLION CFA (\$1.1 MILLION) AT OUTSET AND PRESENT:

C. SALES REVENUES IN 1973: 1.8 BILLION CFA (\$7.5 MILLION)

D-H NOT AVAILABLE

PRODUCTION HAS GONE FROM 9 MILLION METERS IN 1971 TO ESTIMATED 14 MILLION METERS IN 1974. JECENT INVESTMENTS IN EXTENSION OF EXISTING PLANT; 422 MILLION CFA (\$1.8 MILLION) OVER 1973-74. TOTAL INVESTMENT SO FAR IN ICODA: 800 MILLION CFA (\$43.4 MILLION). ICODA IS ALSO PRESENTLY CONSIDERING CONSTRUCTION OF NEW PLANT INVOLVING FINISHED TEXTILE PRODUCTS (SHEETS, TOWELS, ETC.) AND WEAVING OF CLOTH FROM GINNED COTTON. THIS LATTER PROCESS WOULD REPLACE IMPORTED GRAY GOODS WHICH ICODA AT PRESENT USES FOR PRINTING ITS CLOTH. POSSIBILITY OF AMERICAN TEXTILE FIRM PARTICIPATING IN PROJECT. DETAILS WILL BE REPORTED LATER AFTER VISIT NEXT WEEK BY DEL FROM AMERICAN FIRM.

3. THERE ARE NO OTHER TEXTILE FIRMS OPERATING IN DAHOMEY. CHESHES

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILE INDUSTRY, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974COTONO01616
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740297-0780
From: COTONOU
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741037/aaaabeve.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: A. STATE 223415 B. COTONOU 1340 C. S, TATE 166720
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAR 2002 by chappeld>; APPROVED <07 FEB 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IDATEX TEXTILE MILL PROPOSAL
TAGS: EFIN, EIND, DM
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005